

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
BEAUMONT DIVISION

UNITED STATES OF AMERICA	§	
	§	1:17CR153(1)
v.	§	Judge Thad Heartfield
	§	
ALVARO ROMERO (1)	§	
	§	

FACTUAL BASIS AND STIPULATION

The United States of America, presents to the Court, by and through the undersigned Assistant United States Attorney in and for the Eastern District of Texas, joined by the defendant, **Alvaro Romero** and the defendant's attorney **Gerardo S. Montalvo**, and presents this factual basis and stipulation in support of the defendant's plea of guilty to Counts One and Two of the indictment, and in support thereof, would show the following:

1. That the defendant hereby stipulates and agrees to the truth of all matters set forth in this factual basis and stipulation, and agrees that such admission may be used by the Court in support of his plea of guilty to:
 - Count One of the indictment, which charges a violation of 21 U.S.C. § 846, conspiracy to possess with the intent to distribute a Schedule II controlled substance, namely 5 kilograms or more cocaine HCL;
 - Count Two of the indictment, which charges a violation of 18 U.S.C. § 1956(h), conspiracy to launder monetary instruments;
2. That the defendant, who is pleading guilty to such indictment, is one and the same

person charged in the indictment.

3. That the events described in the indictment occurred in the Eastern District of Texas and elsewhere.
4. That had this matter proceeded to trial, the government, through the testimony of witnesses, including expert witnesses, and through admissible exhibits, would have proven, beyond a reasonable doubt, each and every essential element of the offense alleged in the indictment; specifically, the government would have proven the following stipulated facts:

- a. In December 2013, DEA Galveston Resident Office agents established a Cooperating Source ("CS1") who provided information into the drug trafficking activities of **Alvaro Romero**. CS1 advised that **Romero** obtained narcotics from a source in the Rio Grande Valley, had them transported to the Houston area, and then distributed them through the Eastern District of Texas to Lake Charles, Louisiana, and other locations further east. He placed the proceeds from the sales of these narcotics into the financial system in order to conceal their nature.
- b. CS1 advised that before becoming a CS, he/she had purchased approximately two hundred and fifty (250) pounds of marijuana and eight (8) kilograms of cocaine from **Romero**.
- c. On January 8, 2014, agents did a buy walk for three pounds of marijuana using the CS1. **Romero** sold the CS1 three pounds of marijuana for \$1,500. **Romero** also told the CS1 that he had sold six kilograms of cocaine that week. The transaction happened at **Romero's** stash house at 558 Dale Street, Houston, Texas 77060.
- d. On January 23, 2014, agents did a second buy walk with CS1 and **Romero** for an additional three (3) pounds of marijuana for \$1,500.
- e. On January 25, 2014, **Romero** contacted the CS1 and said he would be traveling south to bring back cocaine. On January 28, 2014, **Romero** contacted CS1 and said he had picked up five kilograms of cocaine.

- f. Based on these calls, Title III interceptions began. The phones of the following individuals were intercepted beginning at the following times.

Date Started	Individual(s)' Phone(s)
February 14, 2014	Alvaro Romero
March 5, 2014	Miguel Rodriguez
March 21, 2014	Alvaro Romero , Arturo Elizondo
April 22, 2014	Alvaro Romero , Arturo Elizondo
May 14, 2014	Jose Rubio
July 2, 2014	Ricardo Aviles
August 8, 2014	Ricardo Aviles

- g. During the course of the wire interceptions, **Romero** was involved with the following drug amounts during the following sessions:

Date	Phone	Session(s)	Amount
February 14, 2014	281-889-4897	84, 94, 193, 237, 471, 508	10 kilograms cocaine HCL
February 16, 2014	281-889-4897	564, 558, 697	198.44 grams cocaine HCL
February 18, 2014	281-889-4897	840, 1050, 1057	31.75 kilograms marijuana
February 19, 2014	281-889-4897	1353, 1354, 1364, 1370, 1372, 1376, 1411	27.21 kilogram marijuana
February 20, 2014	281-889-4897	1417, 1492, 1493, 1497, 1501, 1513, 1629, 1646	35.83 kilograms marijuana
February 22, 2014	281-889-4897	2225, 2258, 2297	34.02 kilograms marijuana
February 23, 2014	281-889-4897	2625, 2631, 2658, 2818	6 kilograms cocaine HCL
February 25, 2014	281-889-4897	3062, 3080, 3092, 3108, 3136	18 ounces cocaine HCL
February 25, 2014	281-889-4897	3066, 3092, 3128, 3131, 3135	39.00 kilograms marijuana
March 3, 2014	281-889-4897	4802, 4813, 4820,	6.80 kilograms marijuana

March 4, 2014	281-889-4897	5039, 5040	28.9 kilograms marijuana
March 7, 2014	281-889-4897	5463	37.25 kilograms marijuana
March 7, 2014	281-889-4897	5467, 5472, 5483	42.52 grams cocaine HCL
March 10, 2014	281-889-4897	5592, 5606, 5607, 5609, 5610, 5613	9.97 kilograms marijuana
March 13, 2014	281-889-4897	5813	28.34 grams cocaine HCL
April 24, 2014	409-273-1101	105, 119, 143	9.07 kilograms marijuana
April 25, 2014	409-273-1101	185	22.67 kilograms marijuana
April 25, 2014	409-273-1101	213, 460	500 grams cocaine HCL
April 29, 2014	409-273-1101	412, 418, 425, 460, 475	10.88 kilograms marijuana
May 19, 2014	832-987-6066	1322, 1450, 1578, 2009, 2059, 2069, 2177	7.12 kilograms methamphetamine actual

- h. A second CS (CS2) identified Renard Smith as a multi-kilogram distributor of cocaine HCL and marijuana in Galveston, Texas. Toll analysis showed that Smith was a high frequency contact of **Romero**. Intercepted calls indicated that he received multi-kilos of cocaine and marijuana. Intercepted calls over **Romero's** phone revealed that Smith purchased six (6) kilograms of cocaine and 265 pounds of marijuana from **Romero**.

- i. Based on the wire interceptions agents made the following seizures:

Date	Location	Co-conspirator(s)	Contraband
February 25, 2014	Beaumont, TX	Courier 1 Romero Elizondo	0.5 kg cocaine
March 2, 2014	Kingsville, TX	Courier 2 Courier 3 Romero Alonso	2.18 kg cocaine 6.54 kg methamphetamine actual

		Rodriguez	
April 17, 2014	Friendswood, TX	FNU LNU Alonso	2 ounces methamphetamine actual
May 26, 20014	Sarita, TX	Lopez Romero Rodriguez	**7.12 kgs cocaine HCL agreed to be transported but 7.12 kgs methamphetamine actual seized
June 6, 2014	West Houston, TX	Jose Rubio Ines Rubio Aviles Worrell	15 kg cocaine HCL discussed 10 kg seized
June 10, 2014	Houston TX	Jose Rubio Worrell	(SW of Jose Rubio's home) 1 assault rifle 2 handguns Body armor Note from Worrell about June 6 event
July 10, 2014	Kingsville, TX	Courier 4 Alonso	2.4 kg cocaine HCL

** **Cynthia Lopez** and **Alvaro Romero** believed they were arranging transportation of cocaine HCL in this instance. **Miguel Rodriguez** actually caused to be placed methamphetamine actual into the vehicle, but neither **Romero** nor **Lopez** were aware the substance was methamphetamine actual. Police seized the methamphetamine during a traffic stop of **Lopez's** vehicle.

- j. Through the course of the conspiracy, **Romero** was personally responsible for distributing and agreeing to distribute 30.145 kilograms of cocaine HCL, and 295.98 kilograms of marijuana.
- k. Through the course of the conspiracy, **Romero** agreed to, aided and abetted, and placed the proceeds from the cocaine HCL, methamphetamine actual, and marijuana sales into a financial institution. He did this to conceal the source of the illegal narcotics proceeds.

DEFENDANT'S SIGNATURE AND ACKNOWLEDGMENT

- 5. I have read this factual basis and stipulation and indictment or have had them read

to me and have discussed them with my attorney. I fully understand the contents of this factual basis and stipulation and agree without reservation that the United States can prove each of these acts and that it accurately describes the events about my acts and the events as recited as I know them.

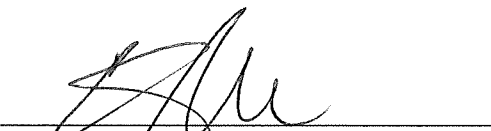
Dated: 7/24/2018


ALVARO ROMERO
Defendant

DEFENSE COUNSEL'S SIGNATURE AND ACKNOWLEDGMENT


6. I have read this factual basis and stipulation and the indictment and have reviewed them with my client, **Alvaro Romero**. Based upon my discussions with the defendant, I am satisfied that the defendant understands the factual basis and stipulation as well as the indictment, and is knowingly and voluntarily agreeing to these stipulated facts.

Dated: 7/24/2018


GERARDO S. MONTALVO
Attorney for the Defendant

Respectfully submitted,

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